AMENDED IN ASSEMBLY APRIL 7, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1062

Introduced by Assembly Member Bonta

February 26, 2015

An act to amend Section 71116 of the Public Resources Code, relating to environmental justice.

LEGISLATIVE COUNSEL'S DIGEST

AB 1062, as amended, Bonta. Environmental Justice Small Grant Program.

Existing law establishes the Environmental Justice Small Grant Program under the jurisdiction of the California Environmental Protection Agency, and prescribes specific criteria and procedures for the implementation of the program. Existing law requires that grants be awarded on a competitive basis for projects that are based in communities with the most significant exposure to pollution, and limits grants to be used for specified purposes relating to, among other things, resolving environmental problems, promoting coordination among public agencies and stakeholders, developing guidance on environmental risks, and facilitating and encouraging community understanding and decisionmaking that affects the environment of a community.

This bill would additionally include—the implementation, physical projects, including planning, engineering,—significant infrastructure improvements, and constructing, of physical projects and construction, monitoring or filtering technology, and environmental assessments that improve the environment or the environmental health of the community, or that address a specific environmental justice need, among the purposes for which a grant may be awarded.

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Existing law provides that the maximum amount of a grant shall not exceed \$50,000, and authorizes the Secretary for Environmental Protection to expend up to \$1,500,000 per year for the grant program.

This bill would require the secretary to expend at least \$5,000,000 per year for the grant program, upon appropriation by the Legislature, and each board, department, office, or other entity or office within the agency, except as provided, to expend an amount equal to not less than 1% of its annual operating budget for the award of grants pursuant to the program agency to allocate appropriated funds from special funds, settlements, and penalties to implement the grant program.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. Section 71116 of the Public Resources Code is amended to read:
- 71116. (a) The Environmental Justice Small Grant Program is hereby established under the jurisdiction of the California
- 5 Environmental Protection Agency. The California Environmental
- 6 Protection Agency shall adopt regulations for the implementation 7 of this section. These regulations shall include, but need not be
- 8 limited to, all of the following: 9 (1) Specific criteria and prod

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- (1) Specific criteria and procedures for the implementation of the program.
- (2) A requirement that each grant recipient submit a written report to the agency documenting its expenditures of the grant funds and the results of the funded project.
 - (3) Provisions promoting the equitable distribution of grant funds in a variety of areas throughout the state, with the goal of making grants available to organizations that will attempt to address environmental justice issues.
 - (b) The purpose of the program is to provide grants to eligible community groups, including, but not limited to, community-based, grassroots nonprofit organizations that are located in areas adversely affected by environmental pollution and hazards and that are involved in work to address environmental justice issues.
- 23 (c) (1) Both of the following are eligible to receive moneys 24 from the fund:
- 25 (A) A nonprofit entity.

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(B) A federally recognized tribal government.

- (2) For the purposes of this section, "nonprofit entity" means any corporation, trust, association, cooperative, or other organization that meets all of the following criteria:
- (A) Is operated primarily for scientific, educational, service, charitable, or other similar purposes in the public interest.
 - (B) Is not organized primarily for profit.
- (C) Uses its net proceeds to maintain, improve, or expand, or any combination thereof, its operations.
- (D) Is a tax-exempt organization under Section 501(c)(3) of the federal Internal Revenue Code, or is able to provide evidence to the agency that the state recognizes the organization as a nonprofit entity.
- (3) For the purposes of this section, "nonprofit entity" specifically excludes an organization that is a tax-exempt organization under Section 501(c)(4) of the federal Internal Revenue Code.
 - (d) Individuals may not receive grant moneys from the fund.
- (e) Grant recipients shall use the grant award to fund only the project described in the recipient's application. Recipients shall not use the grant funding to shift moneys from existing or proposed projects to activities for which grant funding is prohibited under subdivision (g).
- (f) Grants shall be awarded on a competitive basis for projects that are based in communities with the most significant exposure to pollution. Grants shall be limited to any of the following purposes and no other:
- (1) Resolve environmental problems through distribution of information.
- (2) Identify improvements in communication and coordination among agencies and stakeholders in order to address the most significant exposure to pollution.
- (3) Expand the understanding of a community about the environmental issues that affect their community.
- (4) Develop guidance on the relative significance of various environmental risks.
- (5) Promote community involvement in the decisionmaking process that affects the environment of the community.

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 (6) Present environmental data for the purposes of enhancing community understanding of environmental information systems and environmental information.

- (7) Implement, —Physical projects, including planning, engineering, —significant infrastructure improvements, and constructing, physical projects and construction, monitoring or filtering technology, and environmental assessments that improve the environment or the environmental health of the community, or that address a specific environmental justice need in the community.
- (g) (1) The agency shall not award grants for, and grant funding shall not be used for, any of the following:
 - (A) Other state grant programs.
- (B) Lobbying or advocacy activities relating to any federal, state, regional, or local legislative, quasi-legislative, adjudicatory, or quasi-judicial proceeding involving development or adoption of statutes, guidelines, rules, regulations, plans or any other governmental proposal, or involving decisions concerning siting, permitting, licensing, or any other governmental action.
- (C) Litigation, administrative challenges, enforcement action, or any type of adjudicatory proceeding.
 - (D) Funding of a lawsuit against any governmental entity.
- (E) Funding of a lawsuit against a business or a project owned by a business.
 - (F) Matching state or federal funding.
- (G) Performance of any technical assessment for purposes of opposing or contradicting a technical assessment prepared by a public agency.
- (2) An organization's use of funds from a grant awarded under this section to educate a community regarding an environmental justice issue or a governmental process does not preclude that organization from subsequent lobbying or advocacy concerning that same issue or governmental process, as long as the lobbying or advocacy is not funded by a grant awarded under this section.
- (h) The agency shall review, evaluate, and select grant recipients, and screen grant applications to ensure that they meet the requirements of this section.
- (i) The maximum amount of a grant provided pursuant to this section may not exceed fifty thousand dollars (\$50,000).

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(j) For the purposes of this section, "environmental justice" has the same meaning as defined in Section 65040.12 of the Government Code.

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- (k) The Secretary for Environmental Protection—may shall expend—up to one million five hundred thousand dollars (\$1,500,000) not less than five million dollars (\$5,000,000) per year for—the purposes of this section, upon appropriation by the Legislature.
- (*l*) Board, departments, and offices Each board, department, or office within the California Environmental Protection Agency may shall allocate, but is not limited to, appropriated funds from special funds, settlements, and penalties to implement this program.
- (m) (1) Each board, department, office, or other entity within the California Environmental Protection Agency shall expend an amount equal to not less than 1 percent of its annual operating budget for grants awarded pursuant to this section.
- (2) This subdivision does not apply to a certified local program agency, a local or regional air pollution control district, or a regional water quality control board.